GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure & Investment Department – AP Fibre Grid – Phase-I – Laying of aerial fibre leveraging the existing network of electric poles / substations etc to extent broadband connectivity to all Mandals – Project Implementation methodology – In-principle approval for the project with an estimated outlay of Rs.333.00 Crores and Constitution of Tender Evaluation Committee & High Level Tender Approval Committee – Orders – Issued.

INFRASTRUCTURE & INVESTMENT (OP.I) DEPARTMENT

G.O.Ms.No.10 Dated.26.08.2015

Read the following:

1. G.O.Rt.No.52, I&I (OP.I) Dept., dated.22.4.2015.
2. From the VC & MD, INCAP vide Lr.No.INCAP(AP)/P/Optic Fiber Grid/62/2014, dated.19.6.2015.

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ORDER:

1. GoAP has recognized the need for creating a vision for the rapid and all-round development of the State. Accordingly, the Vision of Swarna Andhra Pradesh has been developed, which consists of undertaking the mammoth task of economic and social development through 7 Missions, in the areas of Primary Sector, Social Empowerment, Skill Development, Services Sector, Industry, Infrastructure and Urban Development. The required infrastructure is proposed to be laid out in the form of 5 Grids, namely, Power Grid, Road Grid, Fiber Grid, Water Grid and Gas Grid. The AP Fibre Grid was conceived as one of the 5 foundational grids.

2. In the G.O. 1st read above the following orders were issued:

   1. INCAP is authorised to take up the project under Phase-I with the mandate of extending fibre optic connectivity to the nearby villages / towns (schools, PHCs administrative units / service delivery points of Agriculture, Rural and Revenue Departments etc and households) bringing the gaps by laying aerial fibre over existing electric towers and poles to connect the last mile.

   2. The IT Department shall make available atleast 6 resource personnel with relevant experience to INCAP to enable to implement this project.

   3. As there is no expertise or human resource available with INCAP to handle projects of this nature at present, INCAP is permitted to hire additional resource personnel (1 Senior resource person and 2 Junior resource personnel) with requisite skills from the existing consulting agencies on board – PWC or KPMG, to facilitate preparation of detailed project proposals, bid documents, coordinate and monitor the activities under Phase-I of Fibre Grid Project as per the scope mentioned above.

3. In the letter 2nd read above, the VC & MD, INCAP has informed that the detailed project report has been prepared which includes the design / architecture of the proposed Optical Fibre network and the implementation strategy / methodology. He has proposed to take up the project works with the plan as mentioned above.

S.No	Name of package	Estimated Cost(in crores)	Scope	Mode of Procurement
1	**PACKAGE I:** i)Procuring and laying of aerial fiber(24 core) leveraging the electrical poles/ structures related to 400/220KV,132KV,33KV,11KV Lines and also LT Lines. ii) Setting up of Electronics and related supporting systems at around 2841 identified locations (mainly substations) to serve as PoPs from where broadband connectivity can be drawn out. iii)Setting up Network Operating Center which houses various components such as high capacity servers, racks, monitors, routers, hubs, UPS Systems and CATV Headend at Visakhapatnam, and District Level PoPs one each in all Districts of AP. and	Rs 329 Crs (Inclusive of applicable taxes like VAT & Service Tax etc and warranty, operation & maintenance for 1 year from the project completion date)	All infrastructure required for the network to be setup utilizing the existing assets of APGENCO& APTRANSCO as per DPR; and procurement and installation of centralized operating and monitoring system to be done for effective functioning of the Fiber Grid Project as per the design/architecture of the proposed optical fiber network.	Lumpsum contract mode through e-procurement platform.
2	**PACKAGE II:** Project Monitoring Agency services for monitoring and supervising the progress of works on all activities related to the project and certification of the works	Rs 3.29 Crs	Supervision, Quality control, Certification, Monitoring and Reporting on the progress of field works and assisting PMU and PIU in all aspects of project during execution.	Standard Procurement method for Consultants.
3	Miscellaneous items and Project Contingencies	Rs 0.71 Crs		
	TOTAL	Rs 333.00 Crs		

4. The VC & MD, INCAP has further informed that as there is no field unit or manpower/expertise available with INCAP to test/monitor/supervise the implementation of works related to this project, it is proposed to engage a professional agency with relevant experience in this field as project monitoring agency as proposed under Package-II above.

5. He has further informed that the Package-I as mentioned above is proposed to be procured on LS mode contract on the e-procurement platform whereas Package-II is proposed on standard procurement method for consultancy. After selection of the contractor the agreement with the contractor is proposed to be signed by INCAP. Once the project work is completed, all the project assets and various other items including the fibre optic network, high capacity servers, racks, data centre, monitors, routers, hubs and UPS Systems etc. related to NOCs/PoPs shall be owned by the IT Department or an agency of the IT Department (such as AP Fibre Grid Corporation) for further operation and maintenance of the project. He has further informed that the bid documents pertaining to AP Fibre Grid Phase – I have been examined and approved by the technical committee.

6. While stating the above position, the VC & MD, INCAP has requested the Government to issue necessary orders on the following.

A) Administrative sanction for the project with an estimated outlay of Rs. 333 Crores and to make available budgetary provisions to the extent of Rs 333 Crores in the current fiscal FY 2015-16.

B) Procurement of the contractors for Package-I on LS mode under e-procurement platform, and for Package-II for Project Management Consultant on standard procurement method for consultancy as proposed under Para-III above.

C) Appointing INCAP as the tendering agency to take up AP Fiber Grid Phase-I Project with the scope as mentioned under Para II above and approval/ratification of the bid documents and the action initiated by the INCAP on issue of Notice inviting tender and uploading of related bid documents on e-procurement platform.

D) Approval for constitution of the Tender Evaluation Committee and the High level Tender approval committees as proposed by him.

E) Approval for the mechanism for monitoring the Project implementation as shown in Annexure-B.

F) Handing over all the assets related to the project to IT Department/or an agency of IT Department (such as AP Fiber Grid Corporation) on completion of the project works to own for further operation and maintenance of the project.

7. Government after careful examination hereby issue the following orders.

a. In principle approval is accorded for the project subject to undertaking a detailed cost-benefit analysis (as per DPR) and basis for assumptions made therein.
b. Since the project is bankable, the required financing to an extent of 90% shall be mobilized from the Financial Institutions.
c. INCAP is permitted for procurement of the contractors for Package – I on LS mode under e-procurement platform, and for Package – II for project management consultant on standard procurement method for consultancy as mentioned in para - 3 above.
d. Action of the VC & MD, INCAP in having issued notice inviting tenders and uploading of related bid documents on e-procurement platform is hereby ratified.
e. The Tender Evaluation committee and Tender Approval Committee are hereby constituted with the following members.

A. The Tender Evaluation Committee

1. Vice Chairman& MD, INCAP	…	Chairman
2. Vice Chairman & MD,AP Technology Services	…	Member
3. One External Network expert from academic field	...	Member
4. Legal Advisor, INCAP	…	Member
5. CGM(Finance), INCAP	…	Member
6. Sri V. Hari Krishna Prasad (Member,e-Governance Authority, Electronics and IT Agency, Innovation Society, Govt of AP)	…	Member
7. CGM-T, INCAP	…	Member-Convener

The committee constituted above shall undertake the following activities:

i. Undertake the evaluation of the bids and negotiations (Technical & Financial evaluation).
ii. Recommend the award of tenders for approval by High level Tender approval committee.
iii. Recommend additional price to be paid for additional works items/contingent scope of work as required.
iv. Approve all deliverables of the contractors.
v. Approve design / drawings of the contractors.
vi. Recommend any other item proposed by the Member- Convener or delegated by the High level Tender approval committee.

B. High Level Tender Approval Committee

1. Secretary to Govt. E,I&I Dept.	…	Chairman
2. Secretary to Govt. IT Dept.	…	Member
3. Chairman & MD, APTRANSCO	…	Member
4. Secretary (Expenditure), Finance Dept	…	Member
5. One External Network Expert from academic filed	...	Member
6. VC & MD, INCAP	…	Member-Convener

The scope of the High level Tender approval committee shall be as below

i. Examine and approve the evaluation (technical & commercial) of the bids and award of the tenders under Package-I of this project based on the recommendation of the Tender evaluation committee.
ii. Examine and approve additional price to be paid for additional work items/contingent scope of work as required based on the recommendation of Tender evaluation committee.
iii. Examine and approve any other issue proposed for its deliberation based on the recommendation of the Convener/Tender evaluation committee.

f. The implementation of the project shall be monitored through a state level Project Monitoring Unit (PMU) at INCAP office. The field level implementation monitoring unit will be the Project Implementation Unit (PIU) and the quality control / progress monitoring and reporting unit will be the Project Monitoring Agency (PMA), to be procured from market.

State Level Project Monitoring Unit (PMU)

VC & MD, INCAP	Advisor, Energy Department	Chief General Manager (Technical), INCAP	Sri V. Hari Krishna Prasad (Member, e-Governance Authority, Electronics and IT Agency, Innovation Society, Government of AP)

Project Implementation Unit (PIU)

This Unit will monitor the field execution, progress of works taken up by the implementing agency (contractors) and will undertake field inspection from time to time and report to PMU.

Superintending Engineer to be nominated by Energy Department	DGM (Technical), INCAP	DEE (Technical), INCAP	A representative to be nominated by IT Department	One Representative each from APTRANSCO, EPDCL & SPDCL to be nominated by the Energy Department.

Project Monitoring Agency (PMA)

This agency shall be responsible to test and certify the quality of the material / equipment used for the project in the field and also to monitor and measure the progress of the works as per schedules and report to the PIU / PMU.

8. The VC & MD, INCAP shall take further necessary action in the matter.

9. This order issues with the concurrence of Finance Department vide their U.O.No.171/PF&NABARD/2015, dated.18.07.2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
SECRETARY TO GOVERNMENT

To
The VC & MD, INCAP.
The IT Department.

Copy to:
Finance (Expr.) Dept.
PS to CM
PS to Secretary, E, I&I Dept.
SF / SC

//Forwarded::By Order//

SECTION OFFICER